

MFD: USAO 2019R00023

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

2019 MAY 29 PM 5:10

UNITED STATES OF AMERICA

v.

FREDERICK MAURICE
KELLNER, JR.,

Defendant

*
*
*
*
*
*
*

CRIMINAL NO.

(Theft of Government Property,
18 U.S.C. § 641; Aiding & Abetting,
18 U.S.C. § 2; Forfeiture, 18 U.S.C.
§ 981(a)(1)(C); 18 U.S.C. § 982(a)(2);
28 U.S.C. § 2461(c); 21 U.S.C. § 853)

INDICTMENT

COUNT ONE

The Grand Jury for the District of Maryland charges that:

Introduction

At all times relevant:

1. The Social Security Administration ("SSA") was an agency of the United States within the United States Government that administered programs under the Social Security Act, Title 42, United States Code, Section 301, et seq. These programs included Social Security Retirement Insurance Benefits. To have been entitled to monthly Retirement Insurance Benefit payments, persons must first have worked for a sufficient period of time in jobs in which they paid Social Security taxes, and be at least 62 years of age.

2. F.K. was born in 1920 and was collecting SSA Retirement Insurance Benefits at the time of his death on or about July 21, 1991.

3. **FREDERICK MAURICE KELLNER, JR. ("KELLNER")** is the son of F.K., and a resident of Glen Arm, Maryland.

4. At the time of F.K.'s death in 1991, his Retirement Insurance Benefits were paid by direct deposit into an M&T Bank account. **KELLNER** was a co-signor with F.K. on the M&T Bank account and kept F.K.'s name on the account after his death.

5. After F.K. died in July 1991, **KELLNER** regularly withdrew the money and spent the benefits deposited by SSA.

6. After F.K.'s death, neither **KELLNER** nor any other individual was entitled to receive SSA Retirement Insurance Benefits on F.K.'s behalf.

7. Because SSA was not aware of F.K.'s death, between July 21, 1991 and March 2018, SSA continued to make monthly payments of Retirement Insurance Benefits to F.K. by direct deposit to the M&T Bank account. At the time benefits were suspended in 2018, SSA was paying \$1,372 per month in benefits. SSA paid a total of \$356,577 in unauthorized benefits after F.K.'s death in 1991.

The Charge

8. Between in or about July 1991 and in or about April 2018, in the District of Maryland, the defendant,

FREDERICK MAURICE KELLNER, JR.,

did embezzle, steal, purloin, and knowingly convert to his use and the use of another, money of the United States, whose value exceeded \$1,000, namely Social Security Retirement Insurance Benefit payments, to which he was not entitled.

18 U.S.C. § 641
18 U.S.C. § 2

FORFEITURE ALLEGATION

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is given to the defendant that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. §§ 981(a)(1)(C) and 982(a)(2) and 28 U.S.C. § 2461(c) as a result of **KELLNER's** convictions under Count One of the Indictment.

2. As a result of the offense set forth in Count One of the Indictment, the Defendant, **FREDERICK MAURICE KELLNER, JR.,** shall forfeit to the United States any and all property, real or personal, constituting, or derived from proceeds traceable to any such violation.

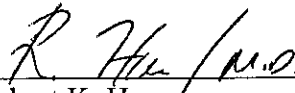
Substitute Assets

4. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the Defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or,
- e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the Defendant up to the value of the forfeitable property, that is, \$356,577.

18 U.S.C. § 981(a)(1)(C)
18 U.S.C. § 982(a)(2)
28 U.S.C. § 2461(c)
21 U.S.C. § 853



Robert K. Hur
United States Attorney

A TRUE BILL:


SIGNATURE REDACTED

Foreperson

Date: ~~June~~ __, 2019

May 29, 2019